

2006-07 State Budget: Higher Education

- The budget recognizes the significant value that California's system of higher education adds to lives of individual citizens and the state as a whole.
- The 2006-07 State Budget provides a total of \$19.1 billion from all sources to support higher education, an increase of \$977 million.

California Community Colleges

The budget provides a total of \$6.2 billion from Proposition 98 sources, an increase of 7.6 percent above the revised 2005-06 level, to support the California Community Colleges. Highlights include:

Cost-of-Living Adjustments (COLA)

- \$312.4 million to provide a 5.92 percent COLA for apportionments and selected categorical programs.

CCC Equalization

- \$159.4 million for CCC equalization. These resources will fully equalize CCC per-student funding.

Growth Funding

- \$97.5 million to fund two percent growth in CCC enrollments. This is sufficient to support an additional 23,000 full-time equivalent students. Combined with other resources in the CCC base budget, these funds will enable CCCs to serve 1,181,000 full-time equivalent students in 2006-07.

Fee Reduction

- \$40 million to backfill lost fee revenues resulting from the reduction in CCC fees from \$26 to \$20 per unit effective spring of 2007.

Non-Credit Courses

- \$30 million to enhance funding for specified CCC non-credit courses. Courses eligible for this increase will be those that are more advanced and rigorous in nature and linked with other courses leading to degrees and certificates as well as improved employability for adults lacking in basic skills.

Matriculation

- \$24 million to increase support for Matriculation programs, providing colleges with additional resources to assist students in progress towards their educational goals.

Economic Development Training Services

- \$15 million increase for the Economic Development program to expand targeted training services aligned with California business needs and enhancing the program's ability to improve career technical education for both K-12 and the colleges.

CAHSEE Remediation

- \$10 million increase in apportionments to support remediation programs at community colleges for high school students who have failed to pass the California High School Exit Exam.

Ongoing Mandated Costs

- \$4 million increase for ongoing claims of current mandated programs.

Apprenticeship Programs

- \$2.5 million increase for apprenticeship instructional program support to address increasing demand from industry for trained workers.

Nursing Faculty Stipend

- \$2.5 million increase for nursing programs to initiate a nursing faculty stipend incentive program that will provide colleges with additional resources to recruit new and retain existing full-time nursing faculty.

High Speed Internet Access

- \$800,000 increase for the Telecommunications and Technology Services program to pay for increased costs of high-speed Internet service delivery allocated to community colleges.

CalPASS

- \$500,000 increase for the Telecommunications and Technology Services program to support the California Partnership for Achieving Student Success (CalPASS) that will fully fund the resources necessary to expand the program statewide.

Significant One-Time Investments

General Purpose Block Grant

- \$100 million for a general purpose block grant. These funds would be distributed on a per-student basis and would allow each college to address local priorities.

Deferred Maintenance, Instructional Equipment, and Hazardous Substance Abatement One-Time Funding

- \$94.1 million for deferred maintenance, instructional equipment, and hazardous substance abatement. These funds will provide significant funds to address backlogs in core operational needs beneficial to student learning.

Career Technical Education Equipment

- \$40 million for career technical education equipment and minor facility reconfigurations. These resources will support one-time infrastructure investments and help ensure student access to state-of-the-art equipment necessary for developing relevant career technical skills needed in the workplace of today and tomorrow.

Prior-Year Mandated Costs

- \$40 million for payment of prior-year mandate claims.

CCC Funding Reforms

- \$19.7 million for one-time costs associated with implementation of a new funding formula for community colleges.

High Speed Internet Access

- \$1.4 million to extend high speed Internet services to 52 off-site centers.

Nursing Infrastructure Projects

- \$500,000 for nursing infrastructure projects for the following activities:
 - Establishing Student Clinical Placement Registries in all regions of the state to increase access to clinical experience opportunities for students from all segments.
 - Establishing an on-line CCC Faculty Registry to improve CCC's ability to identify qualified candidates for faculty slots.

University of California and California State University

Higher Education Compact

- The 2006-07 State Budget maintains the Higher Education Compact agreed to in Spring 2004 with both UC and CSU. Major features include: 3 percent base funding increase; 2.5 percent enrollment growth; and predictable fee increases (or fee buyouts).

Buy-out of Student Fee Increases

- The budget implements the Governor's proposed buy-out of the scheduled fee increases to ease the financial burden on students and their families. Accordingly, the budget backfills \$75 million for UC and \$54.4 million for CSU.

University of California

- The budget provides total funding of \$5.1 billion, an increase of \$280.3 million or 5.8 percent above the 2005-06 level. This total includes:
 - \$80.5 million increase (3 percent) for basic budget support
 - \$51.0 million for (2.5 percent) enrollment growth
 - \$19.3 million to continue funding for Student Academic Preparation and Education Programs
 - \$375,000 to expand the Science and Math Teacher Initiative

California State University

- The budget provides total funding of \$4.0 billion, an increase of \$194.2 million or 5 percent above the 2005-06 level. This total includes:
 - \$75.7 million increase (3 percent) for basic budget support
 - \$61.3 million for (2.5 percent) enrollment growth
 - \$7 million to continue funding for Student Academic Preparation and Education Programs
 - \$2 million to provide funding on a one-time basis for start-up costs associated with the expansion of undergraduate nursing programs
 - \$1.1 million to expand the Science and Math Teacher Initiative

California Student Aid Commission
--

The budget provides total funding from all sources of \$882.3 million, an increase of \$57.5 million or 7 percent about the 2005-06 revised level, to support CSAC programs. This funding includes:

- \$38.8 million increase in the CalGrant Program
- \$11.9 million to increase the maximum Cal Grant for new recipients at non-public colleges and universities from \$8,322 to \$9,708
- \$6.8 million for growth in the Assumption Program of Loans for Education (APLE)
- Authorization for 100 new warrants for the National Guard APLE
- Authorization for 100 new warrants for the State Nursing APLE
- Authorization for 40 new warrants for the Nurses in State Facilities APLE